SE CRET The Director of Cantral Intelligence Washington, D.C. 20505

National Intelligence Council

NIC 02180-86 30 April 1986

MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

FROM:

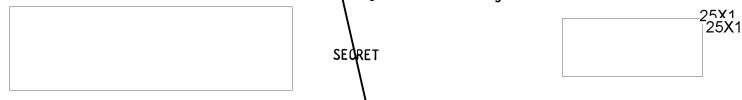
Graham E. Fuller

Vice Chairman, National Intelligence Council

SUBJECT:

An Eerie Lull in Arab Politics

- 1. We are experiencing an eerie lull in Arab world politics right now--terrorism aside. This period is typified by a lack of major trends and broad uncertainty and disillusionment in the region with the status quo. This could lead to some severely negative developments as yet unforeseen down the road, but could also result in some new opportunities--also still unseen. It might take war, however, to unleash any real new motion.
- The US attack on Libya represents an important milestone in the course of Middle East development. Certain factors are now being brought home to the Arabs that we have not seen in a considerable while:
 - The most important fact is that the US is rapidly moving ever closer to Israel both tactically and strategically.
 - A second factor is US willingness to use force directly against the Arab radicals--but without the debilitating features of involvement in a ground war as in Lebanon.
 - A third factor is a picture of Arab confusion, demoralization, and uncertainty stemming from the dramatic fall of oil prices and the seeming lack of concern in the West for Middle East problems now that oil "doesn't matter any more."
- 3. The US attack against Libya has come as a major shock to Qadhafi. The repercussions of the attack may not be fully seen for months to come.
 - I find it hard to believe that Qadhafi will seriously change his agenda or his methods, but he may grow more cautious. The other radical states will have also gotten the message.



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- -- We will almost surely see further acts of terrorism against the US, but it <u>could</u> be part of a declining trend in terrorism outside the Middle East.
- -- Within the Middle East terrorism will surely continue as a basic way of conducting warfare without going to war.
- 4. The Arab world may accept some degree of US military activism against certain Arab radical states. But the atmosphere is likely to grow increasingly ugly toward the US as anti-terrorism becomes the major vehicle of our foreign policy in the Middle East.
 - The temptation to let anti-terrorism take the lead in US Middle East policy in this direction is strong--even for US policymakers who seek broader settlement in the region. Dealing with terrorism is relatively finite in nature, actionable, and concrete results can actually be obtained. It is popular domestically and enables the US to bring a broad array of forces to bear. It is more satisfying to deal with than the seemingly intractable political issues of the Middle East and its regional leaders who constantly slide away from engaging in the real problems. Nonetheless, if US zeal is seen to be limited strictly to punitive strikes against Arabs and not to more positive acts of policy, the overall reaction in the region could grow very ugly indeed.
- 5. The wherewithal for any peaceful settlement of the Arab-Israeli issue is not even on the horizon any more. The most critical players—the Palestinians—are hopelessly shattered as a political force, but the individual splinter groups still can maintain clout—even as terrorists. Arafat as a symbol of Palestinian aspirations will not go away regardless of how weak or incompetent he may be.
- 6. The critical question is whether the harsh realities of the region—the loss of oil revenues, the loss of oil clout, growing US strategic ties with Israel, growing Western disinterest and disinclination to deal with the Arab world—will all this lead to a new awakening to reality? Or will it lead to a new sullenness, frustration, and impotent rage that could help bring down beleaguered moderate regimes?
 - Things are in an eerie state of quiet and watchfulness for the moment. It would be foolhardy to boldly predict how the next major trends will emerge.
 - -- War is often the most profoundly creative act in Middle Eastern politics. It shatters political gridlock and imposes new realities. The next war will be between Syria and Israel.

-- The track record offers only limited hope that a new realism may come into being, but then the Middle East is also the traditional birthplace of miracles.

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